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ED/EC M-217

January 10, 1957

EXECUTIVE COMMITTEE OF THE  
ECONOMIC DEFENSE ADVISORY COMMITTEE

MINUTES

2:30 p.m., Tuesday, January 8, 1957  
Room 1213 Maiatico


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Attendance

MDAC

Mr. Hale, Chairman  
Mr. Anderson  
Mr. Kramer, Executive Secretary  
Mrs. Lese, Committee Secretary

CIA

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Commerce

Mr. Hockersmith  
Mr. George

Defense

Col. Green

ICA

Mr. J. Tucker

State

Mr. Wright  
Mr. Tuckerman  
Miss Worthing

Treasury

Mr. Pollak

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Agenda

1. Assignment to Executive Committee.  
(Ref. EDAC D-127/1, 1/4/57; EDAC D-127/2, 1/8/57)
2. EDAC D-128 (Tab B).

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1. Assignment to Executive Committee  
(Ref. EDAC D-127/1, 1/4/57; EDAC D-127/2, 1/8/57)

Decision

The Executive Committee members will discuss with their EDAC members the three alternative courses of action outlined by the Chairman and inform him of their reactions by Wednesday afternoon, January 9. Either an EC or EDAC meeting will be held as soon as possible for further consideration of this problem.

Discussion

The Chairman distributed copies of a memorandum to Admiral DeLany, the Chairman of EDAC, from Mr. Clarence B. Randall, Chairman, Council on Foreign Economic Policy, (EDAC D-127/1), together with the Admiral's reply (EDAC D-127/2). Admiral DeLany requested that the two documents be given very limited distribution. No distribution other than those given out at the EC meeting is planned, (2 copies to each EC member, 1 extra to State).

The Chairman stated it was his belief that the new memorandum from Mr. Randall has set aside the EDAC Chairman's memorandum of December 19 (EDAC D-129). He mentioned the Admiral's desire quickly to meet Mr. Randall's request and his recommendation that the papers now before the Council be set aside. The Admiral proposed that revisions be made in NSC 152/3, editing and shortening it. It was his feeling that a task of this nature could be accomplished in the limited amount of time given us to comply with Mr. Randall's request to submit a policy recommendation by January 31, 1957.

After asking the members' views, and after further discussion, the Chairman summarized the three alternative courses of action proposed by members:

1. EDAC should complete D-121/4a (this was the Commerce judgment);
2. EDAC should inquire of the CFEP Chairman whether the questions now before that Group would be examined, and if said questions are to be considered by the CFEP they should be updated;
3. EDAC should draft a revision of NSC 152/3 and the pertinent paragraphs of 5429/5.

The Chairman requested that the members discuss the three alternatives with their EDAC principals and notify him of their reactions by the next afternoon. He also requested them to let him know whether they desire to pursue the matter further at an Executive Committee meeting before submitting it to EDAC or whether a memorandum setting forth the issues should be presented to EDAC at once.

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2. EDAC D-128 (Tab B)

Decision

The Executive Committee approved the proposal that the Chairman call a subgroup including a State and Commerce representative for the purpose of revising the MDAC evaluation of the Battle Act.

Discussion

The Chairman said subject paper, circulated to the EDAC members under a covering memorandum from the EDAC Chairman, is the MDAC evaluation of the Battle Act. The State Department has suggested some modification of one paragraph. The Commerce member submitted to the Chairman of EDAC a memorandum setting forth his agency's views on the evaluation which, the Chairman noted, were rather extensive and pointed in several directions. No other EDAC agency had offered criticisms.

The Chairman asked for concurrence with the suggestion that he call a subgroup including a representative from State and Commerce for the purpose of revising the subject MDAC paper. The revised paper would be submitted to the EC for approval by interested agencies in order that a uniform evaluation, supported by each interested agency, would be available and used when and if congressional committees raise this question.

Distributions:

ED List Parts I & II

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